THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The latest estimate of unaccounted money in the economy was made in 1983-84 by National Institute of Public Finance & Policy (NIPEP). As per the study made then, unaccounted money was estimated between Rs. 31584 crores to Rs. 36786 crores. At present there is no move to have a fresh estimate of unaccounted money in the country.

(c) to (e) During the meeting of the National Development Council held on 16.1.97, one of the Chief Ministers had suggested that a scheme be devised by which unaccounted money could be mobilised for development activities. This suggestion will be considered while finalising the Ninth Five Year Plan.

Special drive for filling up of posts in Ministry of Finance

309. SHRI MOHINDAR SINGH KALYAN: Will the Minister of FINANCE be pleased to state:

(a) whether any special drive has been undertaken by Government to clear the backlog in respect of filling up of the different categories of posts in the Ministry of Finance with SCs, STs and other Backward Classes; and

(b) if so, the details thereof indicating the present backlog and the target contemplated for the current year?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The information is being collected and will be laid on the Table of the House.

Cultivation of Poppy for Medicinal purpose

310. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken a decision to permit cultivation of poppy for medicinal purpose, if so, details of the decision taken;

(b) whether Government have taken any steps to ensure that such a yield of poppy is not diverted towards narcotic trade, if so, the detai thereof; and

(c) if no steps have been taken the reasor therefor?

THE MINISTER OF FINANCE (SHRI P CHIDAMBARAM): (a) Yes, Sir. Popp cultivation for medicinal purposes has bee permitted in the tracts notified by the Govt. i the States of M.P., U.P. and Rajasthan. Th main features of the opium policy notified o 4.10.1996 are as under:—

(i) The Minimum Qualifying Yield fc licence raised from 46 kgs. per hectai to 48 kgs. per hectare for the states c M.P. and Rajasthan and fixed at 40 kg per hectare for Uttar Pradesh because c the latter having a traditionally lowe yield.

(ii) Retention of cultivators who cultivate poppy during the previous crop year, o their undertaking to fulfil the prescribe yield requirement in the current cro year; permanent delicensing of suc cultivators on their failure to fulfil suc undertaking.

(iii) Incentive of larger licensed areas, upt 50 ares to cultivators tendering highe yields.

(iv) Ineligibility for licence, if the cultivatc is involved in any manner under th NDPS Act/Rules, 1985.

(b) Yes Sir, To ensure that opium is nc diverted into illicit channel, an elaborate syster of control has been evolved over the years whic *inter-alia* involves 100% measurement o poppy fields, test measurement by senic officials, constant monitoring of crop condition and daily weighment of produce of eac cultivators during the period of opiur cultivation. The enforcement set up of th Central Bureau of Narcotics has also bee strengthened by improving transport an communication net work and setting u preventive intelligence cells in and aroun poppy growing areas. Enforcement operation and general vigil are intensified during th lancing period and collection of opium. I addition to departmental officers, othe enforcement agencies and para-military force are also engaged for the above purpose.

(c) In view of (b) above, question does not arise.

New Rural Banks in Punjab

311. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to set up new rural banks in the different parts of the State of Punjab during the year 1997-98;

(b) if so, the details thereof and the location identified for the purpose; and

(c) the steps being taken by Government in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) The hon'ble Member is presumably referring to the establishment of local area banks in the private sector. With a view to providing institutional mechanisms for promoting rural savings as well as for the provision of credit for viable economic activities in the rural areas, it has been decided to allow the establishment of new local area banks in the private sector in the country. This is expected to bridge the gap in credit availability and enhance the institutional credit frame-work in the rural and semi-urban areas.

Reserve Bank of India has so far received four applications from promoters for setting up of local area banks in the State of Punjab in districts of (a) Patiala, Jullandhar, Ludhiana, (b) Ropar, Jullandhar (c) Ludhiana, Ropar and Union Territory of Chandigarh and (d) Ludhiana, Jullandhar and Newan Shahar. The applications are at various stages of scrutiny.

News-Item regarding Oil dues

312. SHRI O.P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item appearing in the Hindustan Times dated 8th January, 1997, under the heading "FM urged to return oil dues";

(b) if so, the reasons for taking sums over Rs. 30,000 crore from the oil sector by Government, giving the break-up of the sum and the year in which they were withdrawn; and

(c) whether Government have returned the money to oil fund and if not, the reasons thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Section 15 of the Oil Industry Development Act,1974 provides for the levy of a cess "for the purposes of the Act". The purpose of the Act is development of oil industry. Under Section 2(k) of the Act, the term "Oil industry" includes all activities by way of prospecting or exploring for or production of mineral Oil, refining, processing, transportation, storage, handling, and marketing of mineral Oil, production and marketing of all products, downstream of an Oil refinery and the production of fertilisers and petro-chemicals and all activities directly or indirectly connected therewith. Thus, the term "Oil industry" includes fertilisers and petro-chemicals also for the purpose of the Act. Section 16 of the Act provides that the cess is to be credited into the consolidated Fund of India and the Central Government may, if Parliament, by appropriation made by law, so provides, pay to the Oil Industries Development Board such sums of money out of the proceeds of cess, as it may think fit for being utilised exclusively for the purposes of the Act.

It would, therefore, be seen from the provisions of the Oil Industry Development Act, 1974 that the cess is to be credited into the Consolidated Fund of India and such amounts as deemed fit may be paid to the Oil Industry Development Board. To the extent the cess collection exceeds the sums paid to OIDB, it becomes a resource for financing Government expenditure in the Oil and Natural Gas, Petro-Chemicals and Fertilisers sectors including direct and indirect budgetary support to the Central Public Sector Undertakings in these sectors.

Because of the resources made available from the cess receipts, the Government allowed the Oil sector Public Sector Undertakings to retain profits instead of distributing a larger share of the profits in the form of dividends to the Government, which was until recently the sole shareholder in these companies. The extent of accumulated retained profits of the Oil sector Public Sector Undertakings may be guaged from the level of their free reserves and surpluses, which are shareholders' funds and